

Please write clearly in block capitals.

Centre number

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Candidate number

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Surname

Forename(s)

Candidate signature

Level 3 Technical Level BUSINESS: MARKETING

Unit 2 Marketing principles

Friday 26 January 2018

Afternoon

Time allowed: 2 hours

Materials

You will need no other materials.

Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- Do all rough work in this book. Cross through any work you do not want to be marked.

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80. There are 50 marks for **Section A** and 30 marks for **Section B**.
- There are two sections to this paper.
- Both sections should be attempted.
- Candidates should spend approximately 60 minutes on **Section A** and 60 minutes on **Section B**.

Advice

Please read each question carefully before starting.

For Examiner's Use	
Examiner's Initials	
Question	Mark
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Section A

Answer **all** questions in this section.

Total for this section: 50 marks

In the multiple choice questions, only **one** answer per question is allowed.

For each question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD



WRONG METHODS



If you want to change your answer you must cross out your original answer as shown.



If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown.



0 1

Which of the following is a method of **secondary** market research?

A Focus group discussions.

☐

B Individual in depth interviews.

☐

C Analysis of government statistics.

☐

D Smart phone online surveys.

☐

[1 mark]

1

0 2

A smoothie bar located in a university town and targeting 18–25 year olds wants to **communicate effectively with customers**.What would be the **most** appropriate way?

A Adverts placed in national newspapers.

☐

B Leaflets posted through doors in the local town.

☐

C Meetings with local competitors.

☐

D Messages and videos on social media accounts such as Instagram.

☐

[1 mark]

1



0 3

A business supplies products direct to other businesses.

What would be the most important **element of the marketing mix** for them?

A Building a relationship with customers.

☐

B Emphasising public relations.

☐

C Mass promotion of products to the general public.

☐

D Sharing the opportunity cost.

☐

[1 mark]

1

0 4

A business operating in a fast changing market wants to **gather numerical data** that can be analysed quickly.

Which would be the most appropriate method?

A Closed question surveys completed online by 50 customers on their social media.

☐

B Face to face interviews with 5 customers who purchased the product in the last month.

☐

C Focus group with 10 customers who shop regularly with the business.

☐

D Panel discussions with 3 potential customers.

☐

[1 mark]

1

0 5

Which of the following would be classed as an element of the **internal** marketing environment?

A Equipment

☐

B Intermediaries

☐

C Legislation

☐

D Suppliers

☐

[1 mark]

1

Turn over ►



0 6

Ruth Wynne loves shopping and is always searching on social media for the latest fashion item to buy.

What will be the biggest **influence** on her **decision making process**?

- A** Advertising between TV programmes on a Saturday night.
- B** Celebrities that she sees pictures of online.
- C** Reports on social media of the conditions of how items are manufactured.
- D** The price of the item.

☐☐☐☐

[1 mark]

1

0 7

Which of the following would be a benefit of co-ordinated marketing mix?

- A** Competitive advantage.
- B** Opportunity cost.
- C** Personal selling.
- D** Trade promotion.

☐☐☐☐

[1 mark]

1

0 8

What would be the best way for a business manufacturing fitted kitchens to achieve **customer satisfaction**?

- A** Advertise products using national newspapers.
- B** Maintain a good relationship with suppliers of raw materials.
- C** Suggest employees provide after-sales service.
- D** Understand customers' exact requirements.

☐☐☐☐

[1 mark]

1



0 9

Explain how a café providing table service could **secure customer retention**.**[3 marks]**

3

1 0

Explain **one** problem of a business using **secondary market research**.**[3 marks]**

3

Turn over for the next question**Turn over ►**

1

- Teapigs supports orphans and young people in Rwanda – the area where their tea is grown.
- They make donations to these young people from each pack they sell.
- Tea is sourced only from well-run areas where no chemicals are used.
- All teabags are biodegradable and all packaging is fully recyclable.

[6 marks]

[illegible]

6



A business that engraves smart phones with personal messages is planning to open its first store. The target market is college and university students. To find out the opinions of their target market they plan to use:

- a small sample of people passing through the train station on a Saturday
- a mix of both male and female participants
- an age range of 18–50
- closed survey questions that the sample can complete quickly and easily.

Use the information above to analyse the **validity of the data** for the business.

[illegible]

6

Turn over for the next question

Turn over ►



They have the following marketing mix:

Promotion – through social media pages.

[6 marks]

[illegible]

6



- **Political** – corporation tax has been reduced.
- **Economic** – unemployment and lack of disposable income means customers are being more careful with their spending on non-essential items.
- **Technological** – flowers can now be ordered online often at much lower prices than those offered by small florists.
- **Social** – trends indicate that only 40% of consumers buy flowers more than three times a year.

[6 marks]

[illegible]

6

Turn over for the next question

Turn over ►



5

Use the information above to analyse the importance to the hotel of the **consumer buying process** when customers make a holiday purchasing decision.

[illegible]

6



Natalie has inherited a housing construction company. As she is new to the company she is looking to conduct some research to help build her reputation as an owner who knows the industry and understands the market that the business operates in. The following options are available:

- 1 Trade journals** – she is able to read journals such as Construction News, building.co.uk, Building Design and Construction magazine and construction.co.uk
- 2 Online searches of competition** – she is able to Google the competition and their websites, such as Jones Homes and Barratt Homes.
- 3 Government statistics** – websites such as www.gov.co.uk and www.statistica.co.uk provide information about the amount of homebuyers' disposable income and other information.

[6 marks]

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Section B

Answer **both** questions in this section.

Total for this section: 30 marks

Read **Item A** and then answer question **1 7**.

Item A**Autism Now!**

Jamie is the Managing Director of Autism Now! which is a charity raising money to offer support to families of those affected by Autism, a condition that affects 1 in 100 people in the UK. Autism is characterised by people having difficulty communicating and forming relationships with others. Paul, the marketing manager is responsible for creating awareness of the charity across the UK and reports to Jamie.

Paul creates awareness through the charity's social media pages, distributing leaflets and posters for doctors' surgeries and hospitals. Paul has two main roles in his job: supporting volunteers who donate their time to the charity and also communicating with families of those affected by autism.

Jamie has given Paul a target to increase donations to the charity by 15% before the end of 2018.

Many people only donate to a charity if they or a family member has been affected. Also the charitable sector suffers from donation fatigue, where people stop donating to charities even though they have in the past.

Other charities in a similar area have seen incomes increase over the last couple of years, however donations to Autism charities are much lower.

Charity	2016	2015
Cancer research UK	£635 million	£522 million
Alzheimer's Society	£97.9 million	£90.5 million
Child Autism UK	£657 023	£588 698

Paul thinks that the best way to increase donations will be to work closely with volunteers and the local community to create a positive image of the charity through fun days and bake sales.



Jamie thinks the best way for Paul to achieve his target for 2018 is to create an aggressive advertising campaign to shock people into donating. Do you agree?

[15 marks]

[illegible]

[illegible]

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Read **Item B** and then answer question

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Item B

Tilly Mayer Ltd

Tilly Mayer Ltd started when Tilly brought back gifts for friends from her travels in the Far East. The first Tilly Mayer shop opened 24 years ago in the UK. Tilly is still with the company and there are now 60 stores across the UK as well as an online store. Promotion is carried out using a variety of social media and blogs, as well as more traditional methods such as magazines.

Tilly Mayer still sells items inspired by the Far East including clothes, accessories and items for the home such as rugs and cushions. Tilly works with a team of designers to ensure the products all fit the same theme.

The company motto is 'being kind', which means that the company wants to be kind in everything they do, from the way they treat employees to how they interact with suppliers.

They were one of the first high street chains to pay employees the National Living Wage. In 2017 this was £7.50 per hour.

Tilly thinks that 'being kind' can create a unique selling point when promoting the company.

General Public – provide vital services to an orphanage in Vietnam, and support over 300 local charities and schools.

Customers – offer customers the chance to recycle their old electrical items when buying any new product. They invite loyal customers to launch nights where they allow them to see reduced sale items first, and offer social evenings where they talk about ethical business.

Competitors – Tilly Mayer competes with businesses such as Oliver Bonas, Urban Outfitters, Joy and Cath Kidston.

Suppliers – treat suppliers fairly and in a kind manner, in the way that they work with them and deal with their contracts.



Using **Item B** evaluate the most important element of the **micro marketing environment** when promoting the business.

[illegible]

[illegible]

15



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